

14 September 2011

Proposal relating to bimatoprost, brimonidine tartrate with timolol maleate and prednisolone acetate

PHARMAC is seeking feedback on a proposal relating to a provisional agreement with Allergan Australia Pty Ltd for four ophthalmological products.

In summary, this proposal would result in:

- A reduction in the price and subsidy for bimatoprost (Lumigan) eye drops from 1 January 2012 with subsidy and delisting protection until 30 June 2015. A confidential rebate would apply.
- Subsidy and delisting protection for brimonidine tartrate with timolol maleate (Combigan) eye drops until 30 June 2015. A confidential rebate would apply.
- Subsidy and delisting protection for prednisolone acetate (Pred Mild and Pred Forte) until 30 June 2015.

Feedback sought

PHARMAC welcomes feedback on this proposal. To provide feedback, please submit it in writing by **Thursday, 29 September 2011** to:

Sue Anne Yee
 Therapeutic Group Manager
 PHARMAC
 PO Box 10 254
 Wellington 6143

Email: sueanne.yee@pharmac.govt.nz

Fax: 04 460 4995

All feedback received before the closing date will be considered by PHARMAC's Board (or Chief Executive acting under delegated authority) prior to making a decision on this proposal.

Details of the proposal

Bimatoprost (Lumigan)

- The price and subsidy for Lumigan in Section B of the Pharmaceutical Schedule would be reduced from 1 January 2012 as follows (ex-manufacturer, exclusive of GST):

Chemical	Presentation	Brand	Pack size	Current price and subsidy	Proposed price and subsidy from 1 Jan 2012
Bimatoprost	Eye drop 0.03%	Lumigan	3 ml OP	\$19.50	\$18.50

- A confidential rebate would apply to Lumigan.
- Lumigan would have subsidy and delisting protection until 30 June 2015.

Brimonidine tartrate with timolol maleate (Combigan)

- Combigan would remain fully funded in Section B of the Pharmaceutical Schedule at the current price and subsidy (ex-manufacturer, exclusive of GST):

Chemical	Presentation	Brand	Pack size	Price and subsidy
Brimonidine tartrate with timolol maleate	Eye drops 0.2% with timolol maleate 0.5%	Combigan	5 ml OP	\$18.50

- A confidential rebate would apply to Combigan.
- Combigan would have subsidy and delisting protection until 30 June 2015.

Prednisolone acetate (Pred Mild and Pred Forte)

- Pred Mild and Pred Forte would remain fully funded in Section B of the Pharmaceutical Schedule at the current prices and subsidies (ex-manufacturer, exclusive of GST):

Chemical	Presentation	Brand	Pack size	Price and subsidy
Prednisolone acetate	Eye drops 0.12%	Pred Mild	5 ml OP	\$4.50
Prednisolone acetate	Eye drops 1%	Pred Forte	5 ml OP	\$4.50

- Pred Mild and Pred Forte would have subsidy and delisting protection until 30 June 2015.

Background

In response to PHARMAC's consultation on the 2011/12 Invitation to Tender product list, Allergan Australia Pty Ltd submitted an alternative commercial proposal (ACP) involving bimatoprost, brimonidine tartrate with timolol maleate and prednisolone acetate eye drops. This ACP forms the basis of PHARMAC's provisional agreement with Allergan and would result in Lumigan, Combigan, Pred Mild and Pred Forte remaining fully funded until at least 30 June 2015.